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FO RUEHZG/NATO EU COLLECTIVE PRIORITY
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DEPT FOR EUR/SCE DEPT OF JUSTICE FOR OPDAT, ICITAP

E.O. 12958: DECL: 03/18/2018
TAGS: PGOV MASS SENV NATO AL

SUBJECT: ALBANIA'S GOVERNMENT OCCUPIED WITH DAMAGE CONTROL

REF: A) TIRANA 199 B) TIRANA 200

Classified By: Amb. J.L. Withers II, reasons 1.4 (b), (d)

- 11. (SBU) Shortly after Minister of Defense Fatmir Mediu resigned on March 17 (Refs A and B), Prime Minister Sali Berisha held a press conference at which reporters pressed him to comment on the ties between Mediu and an American company, Southern Ammunition Company, Inc. (SACI). Reporters displayed a copy of a contract between SACI and the MOD's Military Export Import Company (MEICO) to demilitarize large munitions at the Gerdec site, alleging that Mediu was in some way involved. Berisha replied only that the Gerdec accident is under investigation and that he believes it was a mistake to locate such a facility so near populated areas. (COMMENT: The usually voluble PM's reticence was noted in the press as a sign of weakness. END COMMENT.)
- 12. (C) The prosecutor's office ordered several people to be detained for questioning, including: Ylli Pinari, Director of MEICO; Mihal Delijorgji, owner of Albanian company "Alba Demil"; Agim Vranja, director of "Vrana Security"; and Dritan Minxholli, technical director of the munitions disassembly facility where the explosion occurred. Alba Demil was reportedly the Albanian company responsible for the destruction at the site, and Vrana Security was reportedly responsible for site security. The links between these individuals, SACI and Mediu are unclear, and are part of the prosecutor's investigation, but Patrick Henry III, president of SACI, told ODC Chief on March 17 that he signed a second contract on December 28 with MEICO as a front to facilitate subcontracting to Alba Demil. (Note: Media has recently reported that Henry owns 25 percent of Alba Demil.) Delijorgji has a record of arrests for tax and customs duty evasion, smuggling, and document fraud. Pinari and Delijogji had both signed contracts with SACI.
- 13. (C) COMMENT: While Berisha is no stranger to national crises (he was PM during the collapse of the pyramid schemes and the ensuing riots in 1997), he is treading carefully and measuring his every move in this case. Public outrage over the GOA's inability to free the country of dangerous weapons could precipitate a crisis of confidence in the government. Also, with the NATO Summit only two weeks away, Berisha cannot afford to give Allies, some of whom are only mildly supportive of Albania's invitation, an excuse to reject Albania. Sacrificing Mediu was the first step toward accountability, but Berisha's next steps will be critical. He needs to show the Allies and Albanian citizens that he is

really in control by coordinating relief efforts, helping the citizens of Gerdec return to a normal life as quickly as possible, getting to the cause of the accident, and prosecuting those responsible. There is no sign of the controversy diminishing any time soon.
WITHERS